

Original sponsor: Judiciary Committee

Offered: 5/24/80

1 IN THE HOUSE

BY THE RULES COMMITTEE

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SENATE CS FOR CS FOR HOUSE BILL NO. 546 (Rules)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to offers of judgment and to prejudg-  
7 ment and post-judgment interest rates; and providing  
8 for an effective date."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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\* Section 1. AS 09.30.070 is amended to read:

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\* Sec. 2. AS 45.45.010(a) is amended to read:

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(a) The rate of interest in the state is 10.5 [EIGHT] percent a  
year and no more on money after it is due except as provided in (b) of  
this section. [THE RATE OF INTEREST IN THE STATE IS SIX PERCENT A YEAR  
AND NO MORE ON (1) MONEY RECEIVED TO THE USE OF ANOTHER AND RETAINED  
BEYOND A REASONABLE TIME WITHOUT THE OWNER'S EXPRESS OR IMPLIED CONSENT;  
(2) MONEY DUE UPON THE SETTLEMENT OF MATURED ACCOUNTS FROM THE DAY THE  
BALANCE IS ASCERTAINED; OR (3) MONEY DUE OR TO BECOME DUE WHEN THERE IS  
A CONTRACT TO PAY INTEREST AND NO RATE IS SPECIFIED.]

\* Sec. 3. AS 45.45.010 is amended by adding a new subsection to read:

(1) On or before the 60th day following the filing of an answer in

1 a civil action, and on the day discovery closes as ordered by the court,  
2 either the party making a claim or the party defending against a claim  
3 may serve upon the adverse party an offer to allow judgment to be en-  
4 tered in complete satisfaction of the claim for the money or property or  
5 to the effect specified in his offer, with costs then accrued. If  
6 within 10 days after the service of the offer the adverse party serves  
7 written notice that the offer is accepted, either party may then file  
8 the offer and notice of acceptance together with proof of service, and  
9 the clerk shall enter judgment. An offer not accepted within 10 days is  
10 considered withdrawn and evidence of that offer is not admissible except  
11 in a proceeding to determine the form of judgment after verdict. If the  
12 judgment finally entered on the claim as to which an offer has been made  
13 under this section is more favorable to the offeree than the offer, the  
14 interest awarded under (a) of this section and accrued up to the date  
15 judgment is entered shall be adjusted as follows:

16 (1) if the offeree is the party making the claim, the in-  
17 terest rate shall be increased by two percent a year;

18 (2) if the offeree is the party defending against the claim,  
19 the interest rate shall be reduced by two percent a year.

20 \* Sec. 4. The interest rate provided in sec. 1 of this Act applies only  
21 to those judgments rendered after the effective date of this Act. The in-  
22 terest rate provided in sec. 2 of this Act applies only to cases filed after  
23 the effective date of this Act.

24 \* Sec. 5. This Act takes effect July 1, 1980.  
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